GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:175
ANSWERED ON:08.08.2012
ASSET LIABILITY MANAGEMENT
Reddy Shri K. Jayasurya Prakash

Will the Minister of FINANCE be pleased to state:

(a) whether the IRDA has announced a broadly-defined uniform framework for reporting asset liability management activities adopted by life and non-life insurance companies ; and

(b) if so, the details thereof and the present status thereof?

Answer

Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) & (b) : Yes, Sir. The Insurance Regulatory and Development Authority (IRDA) has announced a broadly-defined uniform framework for reporting asset liability management (ALM) policy adopted by life and non-life insurance companies. According to the framework, each insurer will have an ALM policy approved by the Board of the Insurer which would consider asset liability relationships, the insurer's overall risk tolerance, risk and return requirement, solvency position & liquidity requirements.

Further details are available vide IRDA circulars nos. IRDA/ACTL/CIR/ALM/005/01/2012 and IRDA/ACTL/CIR/ALM/006/01/2012 both dated 3rd January 2012 respectively.